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LEGISLATIVE AUDITOR

OFFICE OF  
**LEGISLATIVE AUDITOR**  
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January 24, 2007

Mr. Andy Wheaton, Chairman,  
and Members of the District Six  
Public Works Commission  
St. Landry Parish  
Post Office Box 522  
Washington, Louisiana 70589

Dear Mr. Wheaton:

We applied our *Checklist of Best Practices in Government* to the operations of District Six Public Works Commission's (district) business office. This letter contains our recommendations resulting from our assessment of the current procedures and practices of the district's business office.

Our recommendations are intended to improve controls over financial operations, provide advice in implementing good business practices, and ensure compliance with state laws. However, management of the district should consider the cost of implementing our recommendations compared to the benefits they will provide. The response from management of the district is included in Attachment I to this letter.

This assessment is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards; therefore, we are not offering an opinion on the district's financial statements or system of internal control nor assurance as to compliance with laws and regulations.

The following are the recommendations resulting from our advisory services:

Written Policies and Procedures

We recommend that formal written procedures be prepared for the various business functions of the district. Formal written office procedures ensure a clear understanding of what should be done, how it should be done, who should do it, and when it should be done and ensure the procedures followed meet management's expectations. Also, written procedures aid in the continuity of operations and for cross-training of staff.

There are no written procedures for the following:

1. Preparing, adopting, monitoring, and amending the budget
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2. Processing, reviewing, and approving disbursements
3. Processing, reviewing, and approving time/attendance records and payroll, including leave taken and overtime worked
4. Recording, tagging, and safeguarding capital assets
5. Dispensing and reviewing the use of gasoline/diesel fuel
6. Purchasing materials and supplies, including the checks and balances to ensure compliance with the public bid law and documentation maintained for all bids and price quotes

#### Capital Improvement Program/Work Order System

As a good business practice, we recommend that the district adopt a capital improvement program that lists all drainage projects to be completed during the fiscal year based on a prioritized ranking of the annual assessment of work needed.

We commend the district for having implemented a work order system that provides the date, location of the job, labor, and materials and equipment used.

Bank Statements - We recommend that either the chairman or the vice-chairman receive the monthly bank statement directly (unopened) from the bank. That person should review the statement for any unusual deposits and/or disbursements, and then give the bank statement to the business manager for her to perform the bank reconciliation. This procedure will strengthen controls over cash since it is not practical to have an adequate system of checks and balances because of the limited number of employees.

Payroll and Attendance Records - We recommend that each employee complete a time sheet to document the hours worked and leave taken (annual and/or sick). The time sheet should be signed by the employee and approved by his/her immediate supervisor. Leave taken should be documented with a leave slip approved by the supervisor and attached to the time sheet.

Capital Assets - We recommend that the district prepare a detailed list of all capital assets it owns, tag the assets, and conduct an annual physical inventory. R.S. 24:515(B)(1) requires the district to maintain records of all land, buildings, improvements other than buildings, equipment, and any other capital assets, which were purchased or otherwise acquired. The records should include information as to the date of purchase of such property or equipment and the initial cost, the disposition, if any, the purpose of such disposition, and the recipient of the property or equipment disposed of. Good internal controls over capital assets require that (1) detailed asset records be current; (2) every

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asset includes a tag identifying it with a number that can be cross-referenced to the detailed asset records; and (3) a physical inventory be conducted at least on an annual basis.

Minutes - The district should publish the minutes of the board meetings in the district's official journal, as required by R.S. 43:171.A.(1). Currently, the minutes are prepared, but they are not published.

Records Retention Schedule - We recommend that the district develop and submit a records retention schedule to the state archivist (Louisiana Secretary of State Office) for approval in accordance with R.S. 44:411.

Off-Road Diesel - We recommend that the district upgrade the diesel fuel pump located at the equipment yard to include a meter. Also, a fuel log should be maintained that includes the date, vehicle/equipment, number of gallons dispensed, pump meter readings, and the signature of the person dispensing the fuel. The chairman should review the fuel log monthly to determine the reasonableness of the fuel used.

Gasoline Purchases - We recommend the following:

- Require that the odometer reading, number of gallons dispensed, price per gallon, and vehicle description are documented on the charge tickets
- Prepare a monthly analysis or summary by vehicle from the charge tickets that includes, at a minimum, the number of gallons dispensed, miles traveled, and miles per gallon
- Require management to review the analysis promptly to determine that the dates of use are appropriate, drivers are entering accurate odometer readings, and the number of gallons received, miles traveled, and miles per gallon are reasonable

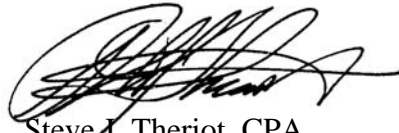
Disaster Recovery/Business Continuity Plan - We recommend that:

- A formal written disaster recovery/business continuity plan be prepared and tested/revised annually. Having a formal written plan is a good business practice as it will provide the steps to be performed to continue the district's operations in the event of a natural disaster, fire, or terrorist attack.
  - The district maintain a back-up copy of its computer system at an off-site location.
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Mr. Andy Wheaton, Chairman  
January 24, 2007  
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I trust this information will assist you in the operations of the district. Please contact me at (225) 339-3800 should you have any questions or if we can assist you in the future.

Sincerely,



Steve J. Theriot, CPA  
Legislative Auditor

RLT:GLM:JSI:ss

[D6PWC06]

cc: Mr. Wayne Slocam  
Mr. Bill Bryson  
Mr. Chris Grimmett  
Mr. Mike Savant  
Mr. Rick Pate  
St. Landry Parish Government

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## Management's Response

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WARD 5, PCT 6  
Mark Tompkins  
Chairman

WARD 1, PCT 19  
Miles Briley  
Vice-Chairman

WARD 5, PCT 1A  
Ronnie Fontenot  
Treasurer

WARD 5, PCT 2  
Danny Lafleur  
Secretary

# **DISTRICT NO. 4 PUBLIC WORKS COMMISSION OF ST. LANDRY PARISH**

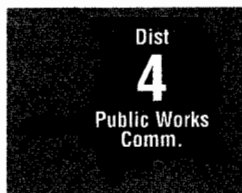
P. O. Box 719 • 820 S. Main St.  
Washington, LA 70589  
Phone 337-826-4500 • Fax 337-826-4555

WARD 1, PCT 5  
Glenn Frilot

WARD 1 PCT 15A  
Hugh Richard

WARD 5, PCT 3A  
Jessie Howard

WARD 5, PCT 3  
Paul Doucet



**January 17, 2007**

**Mr. Steve J. Theriot, CPA  
Legislative Auditor  
State of Louisiana  
Baton Rouge, LA 70804-9397**

**Dear Mr. Theriot:**

**On behalf of the St. Landry Parish District's Four and Six Public Works Commission Board Members, I would like to take this opportunity to thank you for allowing your staff to visit our office to review our records.**

**In your letter dated December 13, 2006, you made several recommendations in which we are currently working toward implementing. Some of the items listed have already been taken care of. Operating and Sinking Fund Bank Statements for each district have already been mailed to the Board of Commissioners Chairmen. Individual time sheets are being filled out daily by each employee. The daily activity work orders are being kept separate. A second USB has been purchased to back up our computer system and is being kept off site.**

**We acknowledge all of your recommendations and will be working on implementing these procedures as promptly as possible.**

**Again, we thank you for your assistance and for your patience in allowing us the time needed to resolve these matters.**

**Sincerely,**

  
**Linda F. Gaspard, Office Manager**